THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.Nos.28523 and 28526 of 1995

COMMON ORDER:

The only question that arises for consideration in both these writ petitions is as to whether the petitioner is entitled to interest against overtime allowance amount as determined by the authority under Payment of Wages Act or not.

It is an admitted fact that the Payment of Wages Act, itself contemplates as to penalty for non-payment of the amounts due to an employee, if they are not paid as required under law. The Authority below decided that the petitioner is entitled to Rs.6,963/- as overtime allowance. According to the petitioner, this amount is inclusive of penalty.

According to the learned counsel for petitioner under Section 3(b) of the Interest Act, 1978 the petitioner is entitled to interest against the said amount. He strenuously contended that once it is found that the petitioner was denied of his legitimate wages/overtime allowance and when the authority allowed his claim, he is entitled to the interest automatically. Further, in this case, the appellate authority is the Civil Court, therefore, as per Section 34 of Civil Procedure Code, the Civil Court can award interest against any amounts awarded under the decree. The learned counsel further stated that the appellate authority under the Payment of Wages Act is Civil Court, and therefore, the third respondent could have exercised its power under Section 34 of CPC for granting interest on the overtime allowance.

I am afraid, neither Section 3(b) of the Interest Act is applicable in a case of this nature nor the petitioner is entitled to interest against the amounts awarded by the authority under Payment of Wages Act as per Section 34 of CPC. Admittedly, the amount awarded is also

inclusive of penalty imposed against the respondent-employer. The Payment of Wages Act does not contemplate interest, but it contemplates penalty upto ten times. Further, the petitioner has not claimed any interest on the over overtime allowance alleged to have been payable to him either before the second respondent or before the third respondent.

For all the above reasons, the petitioner is not entitled to interest against the amount awarded under overtime allowance along with penalty. The writ petitions are devoid of merits and liable to be dismissed.

Accordingly, both the writ petitions are dismissed. No order as to costs.

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C.V.RAMULU,
J

Date: 21.11.2006

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THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.Nos.28523 and 28526 of 1995

21.11.2006

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH AT HYDERABAD

THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.Nos.28523 and 28526 of 1995

Date: 21st November, 2006

Between:

M.Ramakrishna .. Petitioner in both W.Ps.

And

Senior Divisional Personal Officer,
South Central Railway, Vijayawada

and others.

.. Respondents in both W.Ps.